



DATE ISSUED: March 30, 2005

REPORT NO. CCDC-05-13

ATTENTION: Honorable Chair and Members of the Redevelopment Agency
Docket of April 5, 2005

SUBJECT: Relocation Plan - Island/Market Centre Project Bounded by Market
Street, Island Avenue, 13th & 14th streets -- East Village
Redevelopment District of the Expansion Sub Area of the Centre City
Redevelopment Project

REFERENCE: Relocation Plan - Island/Market Centre Project

STAFF CONTACT: David Allsbrook, Manager - Contracting and Public Works

SUMMARY

_____ Issue - Should the Corporation recommend the Redevelopment Agency approve the Relocation Plan for the Island/Market Centre Project?

Staff Recommendation - That the Corporation recommend the Redevelopment Agency approve the Relocation Plan for the Island/Market Centre Project.

Centre City Development Corporation Recommendation - On February 23, 2005, the Corporation Board of Directors voted unanimously to recommend approval of the Relocation Plan for the Island/Market Centre Project.

Centre City Advisory Committee (CCAC) Recommendation - On February 16, 2005, the CCAC and PAC considered the Relocation Plan and voted to recommend approval. The CCAC vote was 20 in favor and 1 opposed, and the PAC vote was 18 in favor and 1 opposed.

Other Recommendations - None.

_____ Fiscal Impact - No Fiscal Impact.

BACKGROUND

On September 14, 2004, the Redevelopment Agency approved the Disposition and Development Agreement and Owner Participation Agreement with Oak Shelter Systems, LLC for the Island/Market Centre Project for the block bounded by Market Street, 13th and 14th streets and Island Avenue. This mixed-use project will create 131 market rate condominium units, 33 affordable condominium units, 39 market rate apartment units and nine affordable apartment units and the inclusion of the East Village Community Church.

Implementation of this project will require the acquisition of seven parcels and cause the displacement of three residential households and three businesses. Whenever a project causes the displacement of residential tenants, a Relocation Plan must be prepared and approved prior to displacement of any residential tenants.

The purpose of a Relocation Plan is to assess the needs of those individuals being displaced; identify resources available to those individuals being displaced; describe the relocation program, assistance and benefits to be provided by the Redevelopment Agency; establish a budget for the costs of the displacement; and provide the projected dates of displacement.

Besides the three residential households that will be displaced, three businesses were identified on the project Site; the Lighthouse (a treatment center for counseling and vocational training for California Department of Corrections parolees/inmates recovering from substance abuse); Rositas Flower Shop and Autohaus Pino (automobile repair shop). During the relocation process, current and continuing information on the availability, lease rates and other terms pertaining to suitable replacement locations will be provided to assist the business owners in the reestablishment of these businesses.

The Relocation Plan identified a total of 18 available two and three-bedroom units within a five (5) - mile radius of the project site. The rent range(s) for the two-bedroom units are \$800 to \$1,495, and for the three-bedroom units, the rent range(s) is \$1,195 to \$1,600. The average project area rents are currently ten percent less than the respective market rents surveyed. The rental assistance payments made to the displacees will make up any rent differential. The total estimated relocation costs for the project are \$310,200 including a ten percent contingency.

The Relocation Plan was made available to the residents and business owners effected by the displacement for a minimum of 30 days. In addition, On January 10, 2005, a meeting was held for the benefit of the residents and business tenants to explain the relocation process, benefits, and assistance that will be provided. As of February 23, 2005, no comments on the Relocation Plan were received.

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The Relocation Plan and subsequent relocation assistance will be in accordance with the provisions of the California Relocation Assistance Law, California Government Code, Section 7260 et. Seq., and the California Code of Regulations, Title 25, Chapter 6 (the "State Relocation Law") and the Redevelopment Agency's Amended Rules and Regulations for Implementation of the California Relocation Assistance Law.

SUMMARY/CONCLUSION

The Relocation Plan for the Island/Market Centre Project identified sufficient resources to relocate both residential and business displacees and that sufficient funds will be made available to successfully relocate the displacees. Staff recommends the Redevelopment Agency approve the Relocation Plan.

Respectfully submitted,

Concurred by:

David N. Allsbrook
Manager-Contracting and Public Works

Peter J. Hall
President

Attachment: Relocation Plan - Island/Market Centre Project
